
# [ annual report 2004-2005 ]

[NORTH DAKOTA INFORMATION TECHNOLOGY DEPARTMENT]

user name: Information Technology Department

password: customer-centric

## Mission and Vision Statements

**Mission:**
Provide leadership and knowledge to assist our customers in achieving their mission through the innovative use of information technology.

**Vision:**
We see ITD partnering with our customers to proactively develop cost-effective technology solutions that meet expectations.

We see ITD promoting existing services and developing new opportunities through employees who demonstrate knowledge and expertise.

We see all ITD employees working together in a culture that challenges everyone and fosters creativity.

We see ITD as a well-managed organization that provides value to our customers and stakeholders.

ITD

*Information Technology Department*

# TABLE OF CONTENTS



The 2004-2005 Annual Report **Password: Customer-Centric** was produced by the North Dakota Information Technology Department.

It is a response to requirements outlined in Section 8 Chapter 54-59 of the North Dakota Century Code. The report provides an update on the information technology oversight process and major information technology investments.

With the world literally at our fingertips and technology changing at the speed of light, our customers have become more information driven and computer-savvy. Today's customer wants faster, more responsive, more accessible services. To meet their demands, information technology (IT) responsiveness must always progress; it is a bar that is constantly elevated.

As the bar is raised, North Dakota's Information Technology Department (ITD) must respond to both the simplest requests and most complicated projects with resolve. Since the consolidation of Information Technology services across state government, ITD has evaluated many IT service platforms and standards, and this executive summary will focus on the new Customer-Centric approach undertaken this year.

**Curtis L. Wolfe** Chief Information Officer

## What does it mean to be a Customer-Centric Information Technology Department?

Customer-Centric means customers are the heart of our business; our goal is to build long-term relationships and IT solutions. Customer-Centric means we go beyond handling calls efficiently. It means we address all customer issues fully and resolve them completely. It's not about giving customers what they want; it's having the insight and forethought to give them what they will want. We are empowering employees to better understand our customer's business, take personal accountability for our customer's issues, to explain solutions in layperson's terms, refer for more technical intervention as needed, and be innovative in addressing the unique business needs of each department.

While the world may be at our fingertips 24/7, ITD helps ensure that North Dakota government information is accessible to every person possible. The staff members of ITD view ourselves as a resource to all who work in state government, so state agencies and employees can serve their customers more effectively and efficiently.

In order to drive the Customer-Centric initiative, ITD formed a new Customer Service Division. Through efforts explained in this report, customers will find a more consistent, timely and customer-friendly ITD.

While improving customer service, North Dakota continues to pioneer technology within government. Other states look to us as a template for their systems. One example of this leadership is North Dakota's ground breaking efforts to consolidate many IT services. We are being watched with great interest as we show the benefits of standardized information systems through greater efficiency and decreased expenses.

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## www.nd.gov receives over 4.5 million hits annually

The most commonly hit websites in North Dakota state government:

- E-forms
- Game and Fish
- History
- Human Resources Management System
- Human Services Department
- Job Service of North Dakota
- Legislative Assembly
- Secretary of State
- Tax Department
- Transportation Department

**John Hoeven** Governor, North Dakota

North Dakota's ITD is organized into seven divisions. As is true in many organizations, nurturing strong relationships and business processes stemming across the organization is essential. While ITD initiatives are usually led by a specific division, the reality is that our divisions are highly interdependent on one another and work together to deliver outstanding achievements and exceptional customer service.

Just one example of the divisions working together is the coordination of the state's Electronic Document Management System (EDMS). EDMS has maximized employee productivity reducing the need for data entry, minimizing the need to store a paper document in a file cabinet and saving hundreds of thousands of dollars in storage costs. It has improved customer service by giving employees access to a document via computer, rather than requiring a trip to a distant storage space. Its implementation crossed division lines too many times to count, and as a result, the documents are more readily accessible for state employees while saving tax payer dollars.

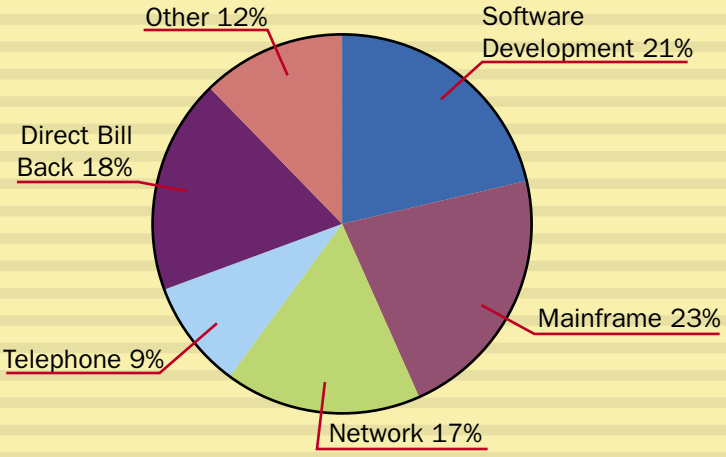
**ITD Divisions**

- Administrative Services
- Computer Systems
- Customer Service
- Human Resources
- Policy and Planning
- Software Development
- Telecommunications

## North Dakota IT Spending in Review

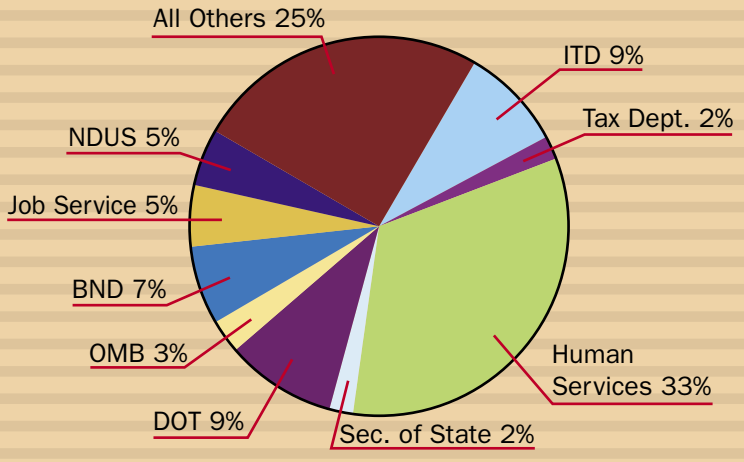
For fiscal year 2004-2005, actual agency spending on IT services from ITD amounted to $33 million. This includes money spent on telephone, network, mainframe, and software development analysis.

**ITD Revenue by Service**
**Fiscal Year 2005**
**Total Billing: $33,089,353**




| | |
|---|---|
| Direct Bill Back | $ 6,116,012 |
| Mainframe | $ 7,223,758 |
| Network | $ 5,532,486 |
| Software Development | $ 7,101,324 |
| Telephone | $ 3,092,724 |
| Other | $ 4,023,052 |

**ITD Revenue by Department**
**Fiscal Year 2005**
**Total Billing: $33,089,353**

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|---|---|---|---|
| BND | $ 2,165,438 | NDUS | $ 1,544,926 |
| DOT | $ 3,100,676 | OMB | $ 1,079,151 |
| Human Services | $ 10,879,576 | Secretary of State | $ 653,345 |
| ITD | $ 2,945,905 | Tax Department | $ 671,380 |
| Job Service | $ 1,761,030 | All Others | $ 8,287,930 |

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### Customer Service Sets New Standards

The newly formed Customer Service Division is charged with the task of coordinating the people, processes, and technologies used within ITD to enhance its service delivery and support. Additionally, they will promote customer relations, facilitate the alignment of ITD's services with customer expectations, and provide a timely and accurate response to customer problems, inquiries and work requests.

## What will a Customer-Centric ITD look like?

In a word – Consistency.
Consistency in response time
Consistency in forms and procedures
Consistency in communication

When there is a technology incident, ITD's 24/7 Service Center receives the call. Often, the problem is resolved on the spot with a Service Center staff member. If not, the Service Center staff member will assign the caller to a department specialist. By centralizing the reporting station, problems are recorded, tracked, and ultimately analyzed to look for commonality. These records will be used as a planning and education tool and will help ITD identify performance issues, perform 'root cause' analysis on a problem, and assist in identifying training issues. This will help move our organization closer to our goal of enhancing the customer's experience with ITD.

### Support Structure for ITD Realigned

The Enhanced Support Center Initiative focuses on the tools aspect of the changes required so support services can be improved. There are five individual projects in the initiative:

- Conduct a feasibility study of the PeopleSoft CRM Helpdesk module to determine if it will meet our core IT Service Level Requirements for Incident, Problem, and Change management.
- Institute a Training Program: A continuous effort will be made to ensure staff is educated and able to implement all new procedures.
- Implement an Asset Management Tool: In an effort to save money, ITD needs a tool that systematically captures detailed information on IT assets, both hardware and software, and delivers that information to the ConnectND asset module. This will also ensure that ITD has accurate data in the event that disaster recovery is implemented.
- Implement a Diagnostic Tool: ITD wants to implement a multi-part tool that monitors network activity and applications. This will assist ITD personnel in quickly identifying what part of a system is causing an issue.
- Build a Knowledgebase: This tool will give frontline support personnel more answers at their fingertips allowing them to diagnose and repair more calls more quickly on the first contact. This knowledgebase will also be available so customers can find their own answers if they prefer.

### Leading IT Service Management Model Adopted

Out of the desire to create consistency in IT services, ITD researched several service management models. From this research, ITD has adopted established best practices known as the Information Technology Infrastructure Library (ITIL)™. ITIL is the most widely accepted approach to IT service management in the world. ITIL provides a cohesive set of best practices, drawn from the public and private sectors internationally.

**Out of the desire to create consistency in IT services, ITD researched several service management models**

**Ten modules define ITIL**

1. Service Level Management
2. Financial Management for IT Services
3. Availability Management
4. Capacity Management
5. IT Service Continuity Management
6. Incident Management
7. Problem Management
8. Change Management
9. Release Management
10. Configuration Management

A number of ITD staff members have attended ITIL Training. Training in the general ITIL standards, as well as several ITIL specialty areas has been completed. The individuals trained will now become trainers for their coworkers, implementing ITIL practices this year.

### Of the ten modules, ITD is currently focusing on four areas, with other areas to follow:

1. **Incident Management:** ITIL establishes a standard time frame to respond to varying incidents and problems, which allows for customers to know what to expect.

2. **Change Management:** A standardized approach to any change in a program or system is necessary to assure maximum efficiency. This protects the integrity of the state's IT by preventing an individual from making a change that affects another computer or program in the system.

3. **Problem Management:** Incidents are documented and trends are monitored. An evaluation of the root cause of problems is completed. A coordinated approach to resolve these issues is formulated.

4. **Service Level Management:** Documentation is provided to customers with information regarding incident management, change management, problem management, and systems availability.

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## Good Plans Shape Good Decisions

Curt Wolfe, in his role as Chief Information Officer, has responsibility for providing leadership regarding technology decisions across all of state government. In addition to the service provider role that ITD plays, it also provides support for "enterprise" IT management processes. ITD has responsibility for technology planning and oversight duties assigned in NDCC 54-59 including reviewing and approving technology plans, establishing standards and guidelines, preparing the statewide technology plan, and approving technology acquisitions. ITD also provides staff to the Legislative Council Information Technology Committee and the CIO by providing oversight of large projects and coordinating statewide initiatives.

### Information Technology Planning and Total IT Spending

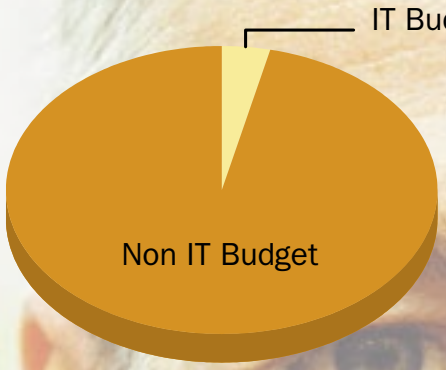
For the 2005-07 biennium, sixty agencies submitted IT plans for review. These plans were reviewed and approved prior to development of the Executive Budget Recommendation. The IT plans are closely tied to the budget requests in order to capture total IT spending requests.

Legislation from the 2003 session charged the State Information Advisory Committee (SITAC) with prioritizing projects and making funding recommendations for proposed IT initiatives that exceed $250,000. ITD developed a process and the SITAC prioritized thirteen projects. The information was used to develop the 2005-2007 Executive Budget Recommendation and inform the IT committee and legislators about major IT projects. The 2005 legislature appropriated $67,349,357 for all IT projects, of which $6,574,702 came from general funds.

For the 2005-2007 biennium budget, Governor Hoeven's executive budget request earmarked $175,179,632 for IT spending by state agencies which amounted to 3.5% of the overall budget. Of this, approximately $80,899,674 was allocated to agencies for spending on IT data processing and telephone services delivered primarily through ITD. Based on the 2005-2007 budget requests, 69% of all the state's technology spending covered support of existing systems, leaving 31% for projects.

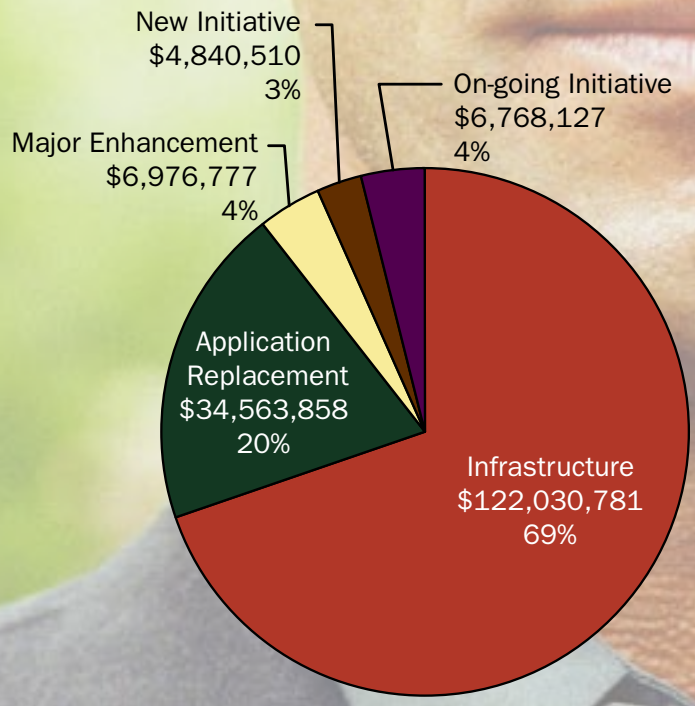
**05-07 Executive Recommendation**
**IT vs non IT**

**Excludes ITD Agency Billing and Higher Ed**




| | | |
|---|---|---|
| IT Budget | $ 175,179,632 | 3.5% |
| Non IT Budget | $ 4,789,523,059 | 96.5% |
| Total | $ 4,964,702,691 | 100.0% |

**05-07 Executive Recommendation**
**by Activity Type**
**Excludes ITD Agency Billing**
**and Higher Ed**



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### Project Management

The Policy and Planning Division monitors all IT projects that cost $250,000 in one biennium or $500,000 over the life of the project. The Enterprise Project Management Advisory Group, made up of project management practitioners from several state agencies, develops and promotes best practices to increase the success of IT projects in state government.

During the past fiscal year, state agencies completed fourteen large IT projects. Twelve of the fourteen projects were completed under budget. Of the fourteen projects, two were over budget a total of $1,934,261, which was less than 20% of each total project budget. Two additional projects were under budget due to reduction in scope, resulting in a total budget reduction of $1,859,397. The remaining ten projects were collectively under budget by a total $1,519,382. This resulted in a total of $1,444,518 under budget for all projects completed in the 2004-2005 fiscal year.

For fiscal year 2004-2005, the Enterprise Project Management Advisory Group finalized the North Dakota Project Management Guidebook and developed a standard for Project Management of Large Information Technology Projects. These tools give agencies a cookbook methodology for managing projects and reporting on large projects.

With the assistance of the Enterprise Project Management Advisory Group, the division established a training and mentoring program. At this time, nine mentors have participated in the initial training and development of the program. Approximately 100 staff, representing the Executive and Judicial branches, and the North Dakota University System indicated interest in the program. Forty-six of those staff participated in the initial training program and are preparing for apprenticeship. Throughout the fiscal year, 1,710 person hours of project management training were provided to 114 state employees, averaging 15 hours per employee.

### Enterprise Architecture

Enterprise Architecture is a process that not only drives continuous business and technology alignment, but provides an overall plan for designing, implementing and maintaining the underlying infrastructure to support information sharing and resource optimization.

Within individual agencies we have done an excellent job of supporting agency business needs with technology. Our opportunity is to leverage this experience and knowledge into enterprise solutions that support the future of North Dakota and the citizens we serve.

**State agencies completed fourteen large projects, coming in $1.44 million under budget**

ITD manages the Enterprise Architecture (EA) process in order to carry out its responsibility for establishing technology standards and guidelines. During the 2004-2005 fiscal year, ten standards were created or updated and five study teams were formed to create recommendations for instant messaging, a time and labor application, functional testing tools, servers and operating systems future state, desktop specifications and state contract. From these recommendations, enterprise solutions are being developed. An example of this is the state contract for PC purchases that is based on standard configurations developed by an EA study team.

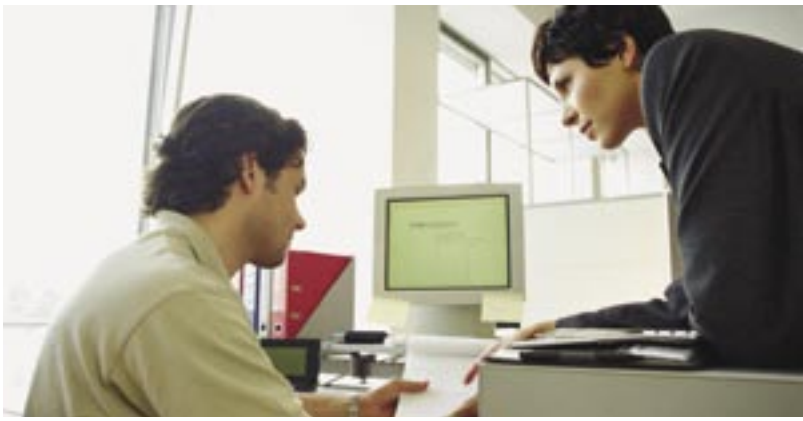
### Procurement Activities

ITD, working in conjunction with the State Enterprise Architecture program and the State Procurement Office at the Office of Management and Budget awarded a three-year contract to Hewlett Packard (HP) to supply the State's standard desktop and laptop computer configurations. The contract started December 1, 2004, and is available to all North Dakota state government agencies and institutions.

**The Hewlett Packard contract for standard PC configurations saved $940,000 in six months**

This contract is the culmination of a project started in early 2004 to begin moving state government toward a more standardized PC environment. The HP contract provides two standard PC configurations and two standard laptop configurations. Prices for the standard configurations are significantly discounted below standard government discounts in comparison to the Western States Contract Alliance (WSCA) program used in the past. For example, the State's mainstream desktop configuration which includes a Pentium 4 - 3.0 Gigahertz processor with 500 Megabytes of memory is priced at $550, $300 below the standard WSCA price. The total savings in a six month period since the contract began totals $941,964.

The contract also provides discounted pricing for a variety of CRT and flat panel monitors, and a selection of upgrade options and peripherals. A custom web site is available for North Dakota agencies to obtain information about the equipment available on the contract, create quotes, and place orders. North Dakota resellers that are HP certified business partners also support and service the contract.



The HP contract is an example of the purchasing power state government can exercise when it coordinates and aggregates its procurements. The standardization of PC equipment also brings longer term benefits in terms of simplifying technical support and lowering support costs. By using the standard specifications, an agency may be able to achieve a substantial savings on its overall PC investment.

### Enterprise Initiatives

The Policy and Planning Division has responsibility for coordinating ongoing enterprise initiatives. Each of the following initiatives involves collaborative efforts across agency boundaries. ITD provides a program manager to facilitate decision-making through a governance structure and manage the effort on an ongoing basis.

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### Criminal Justice Information System Initiative

The most important thing all criminal justice officers are asking for is access to information. The North Dakota Criminal Justice Information Sharing (CJIS) Project provides an electronic means for criminal justice systems to share information securely across agency boundaries. This supports better decision making when dealing with criminals and makes all North Dakotans safer. Many state and local agencies are involved in this collaborative effort.

**Major accomplishments to date include:**

1. Replaced State Uniform Crime Reporting and Incident Based Reporting Repository: A central repository managed by the Attorney General's Office collects criminal statistics that is shared on a national level with the FBI.
2. A statewide system, known as the Law Enforcement Records Management System, is available to local law enforcement to automate their business process. ITD hosts the application centrally to reduce costs and enhance information sharing capabilities. This enables the electronic storing and sharing of case reports and greatly streamlines incident-based reporting to the central repository. As of June 2005, 19 law enforcement agencies have implemented the system.
3. Criminal Justice Information Systems Hub Portal: At the heart of the program, criminal justice officers now have secure access to the following information: Drivers License Photos, Vehicle Information, Department of Corrections' information, Offender Registration, Criminal History, RAP Sheets, and Concealed Weapons in one location. In addition, users have notification capabilities to track persons and/or events. ITD developed the state-of-the-art system and supports it on an ongoing basis. In May 2005, 267 users hit the new CJIS Hub Portal 12,825 times across all databases.

The Criminal Justice Information Systems Initiative expenses are covered by federal grants, general funds, and user fees. Go to www.ndcriminaljustice.com to view this excellent resource.

**In May 2005, 267 users hit the new CJIS Hub Portal 12,825 times across all databases**

### Geographic Information System Initiative

The Geographic Information System (GIS) Hub benefits North Dakotans by providing centralized storage of spatial information and making it accessible to agencies and to the public. Geographic information provided in the form of maps can provide data in a visual format that is easily understood. Maps depicting roads, cell towers, city boundaries, and state lands plotted on top of color aerial photography are examples of some of the over 1.5 terabytes of data stored on the GIS Hub. This year is marked by a number of achievements.

1. State agencies, local and tribal government, private enterprise, and the public continue to actively utilize the GIS Hub. The web applications avaerage almost 50, 000 hits per month.
2. New or upgraded applications have been developed for the Department of Transportation, the Game and Fish Department and the Parks and Recreation Department.
3. New data sets have been added and existing ones updated for a total of 1,350 gigabytes of shared information.
4. The contract for putting GIS into North Dakota K-12 schools has been completed.
5. Coordinated GIS training continues.

ITD hosts the GIS hub infrastructure and works with the GIS Technical Committee to coordinate and prioritize GIS activities. You will find the home of GIS at www.nd.gov/gis.

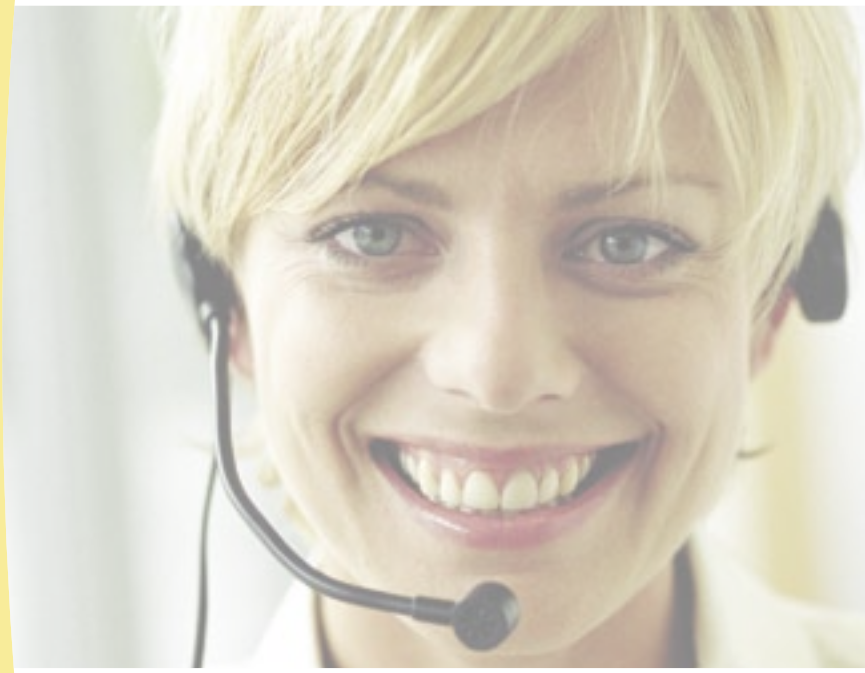
**Approximately 1,400 State employees are also able to view pay checks on-line with plans to deploy eApps to all State employees**

**ConnectND**

ConnectND is North Dakota's implementation of the PeopleSoft financial, human resource and student administration applications across North Dakota's state government and university system. Implementation began in April of 2002 with pilot deployments and full implementations spread throughout the following two years. The initial scope of implementation was completed in June of 2005.

The project included replacement of legacy payroll, the aging financial and student administration systems that were hard to maintain. It also provides additional functionality that wasn't possible with older technology. The PeopleSoft implementation provides a web-based, single sign-on application enabling employees to perform core HR and financial business functions. State employees gain entry across all modules via an Enterprise Portal. Approximately 1,400 State employees are also able to view pay checks on-line with plans to deploy eApps to State employees.

This collaborative effort was lead by the Office of Management and Budget and North Dakota University System from a functional perspective. ITD plays a key role as the Application Service Provider for HR and financial applications along with hosting an Enterprise Portal for state agencies. The Information Technology Service Center in Grand Forks hosts the Student Administration applications. Each site supports production, quality assurance and training environments and manages the upgrades and changes to the system.



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## Getting the Job Done

North Dakota government is one step closer to the point where every person utilizing the state system is able to have only one user-id and password. This year, we successfully migrated PeopleSoft security and more state accounts to Active Directory security. Security Standards were reviewed, and modifications made so they met the Enterprise Architecture (EA) format and were approved. The Intrusion Detection Systems (IDS) were expanded with enhanced reporting capacity. IDS monitors parts of the network and alerts staff to certain network anomalies.

The LiquidOffice is the new electronic forms package that was implemented. The result is that all forms can now be submitted electronically for FileNet storage, and integrated in an automated fashion, rather than manually.

**At any given time, there are up to 1500 concurrent users on nd.gov**







This year, ITD staff completed a migration to FileNet P8, an enterprise suite of products that enables organizations to capture, store, manage, secure, and process information to increase operational efficiency and lower costs. Several new agencies were added to the FileNet solution. The decision was made through the EA process to migrate to FileNet Business Process manager as the enterprise workflow solution.

Groundwork was laid for an upgrade to TeleForm Version 9.1, which began in August 2005. This increases enterprise security of Teleform, a forms processing software for EDMS.

ITD assisted in implementing a state-wide disaster recovery planning system called LDRPS – Living Disaster Recovery Planning System. This system allows the state to ensure that all state agencies follow specific guidelines for developing disaster recovery plans. ITD also signed a contract to obtain access to a second data center within the Bismarck area. Once implemented, ITD will no longer require traditional hotsite services in areas of the country that are not easily accessible from Bismarck. Recovery time using a local site will be reduced from 3-5 days to less than 4 hours for some systems.

ITD converted from the SAMIS accounting system to PeopleSoft and divisional accounting systems were integrated into one automated process. ITD coordinates with SchoolNet on the annual E-rate filing. In fiscal year 2005, we were also able to secure E-rate funding of $1.8 million for the K-12 network.

### Called to Duty

The Computer Systems Division is best described as a Silent Warrior, constantly on watch. You often don't realize their presence unless there's a problem. But their job is crucial – they provide the state's IT hosting services. From an email address not working to a server failing, their job is immense – and often thankless.

This is an ITD so concerned about the efficiency of the client/user that they are researching avenues to simulate actual workstations and user styles to see what problems can be prevented. Ultimately, the goal of the Computer Systems Division is to find problems before they ever happen, assist with the transition of hardware and software without flaws, and ensure everyone that state government will always be ready to serve North Dakotans and others seeking information.

ITD is pleased to offer an Instant Message (IM) solution based upon Microsoft's Live Communication Server. This system integrates tightly with the newly branded Microsoft Office System, and all of the information transmitted stays safely within the boundaries of the ND state network. Features include:

- Presence Detection to enable one computer user to see whether another user is currently logged on.
- Messaging to allow immediate, text-based conversations between two or more people.
- Desktop Audio/Video Conferencing to allow dynamic, on-demand sharing of information through a virtual "face-to-face" meeting.
- White-boarding to allow multiple users to write or draw on a shared virtual tablet.
- File Transfer to exchange digital files with people.
- Application Sharing to enable the user of one computer to take control of an application running on another user's computer.
- Remote Desktop Control to enable a support professional to take control of all functionality on another user's computer.

### The Right Stuff

Since you can't give Botox injections to a computer, it became necessary to replace the aging discovernd.com this year, with nd.gov. After receiving the commission from SITAC, a voluntary replacement committee developed requirements for the new web portal. They successfully developed a portal with a modern look that meets constituent's needs, as well as those of state government.

**This year, over 30,000 service requests were submitted to ITD via WMS**

An example of the consolidated IT effort is the Work Management System, completing its first full year in operation. This software allows departmental IT coordinators, and their co-workers to manage IT work within their own department, while at the same time allowing for people such as department directors and ITD staff to monitor progress. This year, over 30,000 service requests were submitted to ITD via WMS.

As we look forward to the next year, a formal quality assurance and quality control process will be researched and implemented. EDMS processes are being aligned with software development techniques for developing EDMS applications. The process holds great promise for saving state agencies money.

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**The ND Interactive Video Network conducts over 2,000 video conferences each month**

## Connectivity is Key

The ND Public Safety Project provides an affordable and scalable statewide wireless Public Safety mobile voice and mobile data communication infrastructure that will allow reliable and interoperable communication to all Federal, State, County and Local entities. The project design facilitates a phased migration to a digital based communication system by the end users. Included in the project is system design, a statewide frequency plan and all appropriately related system components required for public safety mobile and data communication infrastructure.

The Compuware Network Monitoring solution gives ITD the ability to decrease current and future wide area network (WAN) cost by analyzing down to the application layer, through the process of identifying who, what, when and how much traffic is consuming individual WAN resources. This project also allows ITD to pinpoint bottlenecks and network issues in a timely manner, and provide detailed reports to executive management, network, server, workstation, and application groups within ITD.

North Dakota and Federal regulations required ITD to do a competitive procurement for network services and equipment purchases. ITD went through a process to develop a long term vision for the future network. ITD then developed a procurement strategy that divided the requirements in to three separate Requests for Proposals (RFP's). The first RFP was to procure network transport services (backbone, access and internet service). The second RFP was for a term contract for equipment purchases. The third RFP was for broadband wireless service that also included cellular voice service. Currently these RFP's are in various stages of evaluation and contract negotiation. ITD expects to have contracts signed by the end of 2005 for all network related services.

**Metro Fiber Projects**

Bismarck Expansion: ITD expanded the number of miles of fiber optic cabling serving state, county, city, and educational locations throughout Bismarck, the Bismarck Fiber Expansion II project provided Gigabit Ethernet connectivity and redundant fiber optic cable connections for several entities.

This project was a partnership with ITD and Montana-Dakota Utilities, Inc., to provide Gigabit Ethernet via an optical connection to 2 higher education sites, 7 city/county sites, 9 state office sites, one K-12 site, upgraded 4 sites from multi-mode fiber to single-mode fiber, and provided redundant fiber optic paths for BCI and State Radio.

This project brings the total miles of fiber optic cable that ITD uses to serve its customers to 40+ miles throughout Bismarck.

Jamestown: ITD enhanced wide area network connectivity for county/city government, state government, higher education, and K-12 schools in the community of Jamestown for a total of 15 locations. Locations include the State Hospital, Jamestown Public Schools, County Courthouse, and Department of Transportation. This optical networking project provided Gigabit Ethernet connectivity for each site in a hub and spoke fashion, with the Jamestown hub collapsing into a central data hub in Fargo over a DS-3 circuit. This project addressed expected future bandwidth needs for video and voice as well as data.

Grand Forks: ITD plans to offer enhanced wide area network connectivity for county/city government, state government, higher education, and K-12 schools, in the community of Grand Forks for a total of 5 locations. Locations include the University of North Dakota, Grand Forks Public Schools, and County Courthouse. This optical networking project will provide Gigabit Ethernet connectivity for each site in a hub and spoke fashion, with the Grand Forks hub collapsing into a central data hub in Fargo over a secondary OC-3 circuit. This project addresses expected future bandwidth needs for video and voice as well as data. The project is expected to be completed winter 2005.

Minot: ITD plans to offer enhanced wide area network connectivity for county/city government, state government, higher education, and K-12 schools, in the community of Minot for a total of 15 locations. Locations include Minot State University, Minot Public Schools, County Courthouse, and UND Medical Center. This optical networking project will provide Gigabit Ethernet connectivity for each site in a hub and spoke fashion, with the Minot hub then collapsing into a central data hub in Bismarck over a large OC-3 circuit. Ultimately, this will bring at least a 30% increase in available bandwidth coupled with lower communications latency. This visionary project addresses expected future bandwidth needs for video and voice as well as data. The project is expected to be completed spring 2006.

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**North Dakota is able to be an IT leader because of the highly qualified and dedicated individuals working in the department**







## The People That Make the Difference

While it is easy to concentrate on the complicated equipment and programs involved with IT, the reality is that even the most up-to-date hardware and software is useless without a strong supporting cast of quality people. North Dakota is able to be an IT leader because of the strong individuals working in the department.

While the wide-spread skills shortages that afflicted U.S. organizations through the end of the 1990's during our economic "boom years" have eased in some sectors, acquiring and retaining talented individuals remains a top business priority for ITD and organizations across the U.S. The demographic projections are not encouraging as research firm Watson Wyatt points out, there was a 30 percent shortfall in younger workers in the 1990's, and as baby boomers reach retirement, there won't be enough talent available to replace them*.

**How will ITD continue to attract, hire and retain the best and brightest people in their field?**

It will be a challenge. Having the right people, in the right job, at the right time, is a high priority, strategic initiative for ITD, as we compete with private-sector employers for the very sought after, scarce, IT professional.

ITD has invested in improving its hiring process by benchmarking against the best, monitoring our performance and process effectiveness, assessing productivity and being creative with ways for finding that talented individual. ITD makes the selection process not only pleasing to managers, but most importantly pleasing to the applicant, through the use of fast, efficient business processes and a carefully orchestrated screening process. ITD also takes its screening process seriously and has implemented programs to conduct criminal background checks as well as checks on candidate performance and character. ITD will continue to explore new and better ways to attract the best and the brightest through the use of skills assessments and the effective use of technology. ITD believes in the three R's of employee retention and job satisfaction: Respect, Rewards and Recognition. Although ITD's values and guiding principles speak for themselves, many programs have been implemented in ITD to bring us closer to affording employees a motivating, respectful and satisfying work environment

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and ITD regularly measures how well it is doing. Employees assess our organization and its management team every two years and employee focus group meetings are held to ensure we understand the needs of our staff. ITD has a 99% employee participation rate in this assessment and uses this information to identify and design action items and programs for meeting those employee needs. The employee-focused agenda of ITD has been highly successful. In the pre-Y2K era, ITD's turnover rate was 11%; over the past six years, the voluntary turnover rate has ranged from 3.0 – 4.5%.

special achievement, outstanding initiative or an act of kindness. Since its implementation a little over one year ago, over 700 employee acts of kindness, achievements and outstanding service have been recognized; employees do appreciate the "pat on the back" they so greatly deserve.






Providing reward programs that help attract, motivate and retain employees was among ITD's top priorities for 2004-2005, and will continue receiving ITD's attention in the future. Offering competitive wage levels and rewarding ITD's top performers continues to be our biggest challenge. ITD believes in differentiating our workers based on performance. According to an article published by the Society of Human Resource Managers; Winter 2005 Employment Management Association magazine,* today's best performing employees expect to receive nearly 4% more in pay than weak performers. ITD continues to work with the ND Legislators and the Human Resource Management Services Division to explore ways to move the State closer to market pay and is hopeful a new Legislative Benefits Programs Committee will position our State to be able to better compete with private sector employers for the highly sought after skilled individual.

### ITD Employee Recognition

In order to reward and motivate employees and recognize their outstanding work, ITD employees launched an Employee Recognition Program. The "Making a Difference" initiative has become the vehicle in which employees and management can recognize one another for a job well done,

### Training and Mentorship are Wise Investments

Nothing is more strategic to ITD than knowing whether the organization has the skills and expertise in place to sustain current performance and meet the ever changing needs of the future. Retooling existing employees and training our new employees is a constant and expensive part of ITD's culture.

**Over 700 employee acts of kindness, achievements and outstanding service have been recognized**

When new employees join ITD, an extensive training program is initiated, followed by a mentorship program. This enables new employees to understand their customers, the technologies used, the team atmosphere within ITD, and makes employees feel right at home. The mentorship program focuses on growing and developing our own project managers for the State of North Dakota. ITD has learned a great deal from this experience and will continue to deploy mentorship programs across the organization in the future.

* Demographics and Destiny: Winning the War on Talent, Watson Wyatt.
** Society of Human Resource Managers and the Employment Managers Association, winter 2004 report, www.shrm.org/ema/05winter

## Information Technology Department Performance Measures 2005

| Measurement | Baseline (Previous Years) | Current(June 2005) | Target |
|---|---|---|---|
| **1. Acceptable level of total net assets** | 2002 – 1.4<br>2003 – 1.6<br>2004 – 1.4 | 2.0 | < or = to 2.0 |

Score Card Perspective: Financial. Based on financial end of year "Statement of Net Assets", Total Net Assets does not exceed 2 times (2.0) the average monthly expenditures.

| | | | |
|---|---|---|---|
| **2. Percentage of ITD rates reported in Annual Report that are competitive** | 2004 - 100% | 100% | 100% |

Score Card Perspective: Financial. Based on 16 service rates representing 88% of ITD's revenue as reported in the Annual Report. "Competitive" is defined as a rate not exceeding 10% higher than average comparable service rates provided by other government and private entities. To best enable "apples to apples" comparisons, each service rate metric will identify its comparison entities.

**3. Total number of customer projects and service requests completed**

| | 2004 | | |
|---|---|---|---|
| Projects | 20,826 | 22,114 | Monitor |
| Service Requests | 21,742 | 30,828 | |

Score Card Perspective: Financial. Although this measure is largely dependent on client budget appropriations and spending, it provides an indicator reflecting the amount of work volume or output produced by ITD. This measure reflects a 12 month timeframe and does not include ITD strategic projects.

| **4. Customer satisfaction indexes** | % Satisfied / Very Satisfied | | % Satisfied / Very Satisfied | % Satisfied / Very Satisfied |
|---|---|---|---|---|
| | 2003 | 2004 | 2005 | |
| Value | 86.1% | 88.1% | 91.4% | 92 % |
| Timeliness | 90.2% | 91.6% | 95.3% | 97 % |
| Quality | 94.2% | 92.3% | 90.9% | 97 % |
| Knowledge | 96.1% | 97.3% | 96.8% | 98 % |
| Professionalism & Courtesy | 96.9% | 98.1% | 96.4% | 100% |

Score Card Perspective: Customer. Customer surveys are collected annually. ITD receives approximately 40-45 responses for each of the services surveyed. This allows the agencies an opportunity to provide feedback on the performance of the services provided.

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| Measurement | Baseline (Previous Years) | Current (June 2005) | Target |
|---|---|---|---|
| **5. Employee satisfaction index** | 2002 – 2.010<br>2003 – 1.983<br>2004 – 1.961 | 1.961 | 2.0 |

Score Card Perspective: Learning & Growth. Each year ITD assesses its employee satisfaction. Employees are asked to grade ITD as a place to work and as leaders of our organization. The above survey indexes reflect the overall average score of all employee survey rankings,the grading range is from 0 to 3 (dissatisfied to very satisfied). Over the years ITD has consistently had a 95-99% employee participation rate in this survey process.

| | | | |
|---|---|---|---|
| **6. Controllable employee turnover** | 2002 – 2.4%<br>2003 – 1.9%<br>2004 – 3.2% | 4.5% | Below 6.0% |

Score Card Perspective: Learning & Growth. ITD tracks employee turnover on an annual basis. Over the years technology skills have been in high demand and in short supply for various reasons. As employers compete for IT professionals, these employers have experienced high turnover (11-20%). Employee turnover is a valuable indicator of employee morale and satisfaction. This is a critical measurement for ITD because of the large investment in the technology staff so they can stay current in their skills.

| | | | |
|---|---|---|---|
| **7. Percentage of service levels met** | 100% | 100% | 100% |

Score Card Perspective: Internal Processes. ITD is developing service level objectives (SLO) for its primary services. Once the SLO's are established this measure will indicate ITD's ability to meet its service objectives

| | | | |
|---|---|---|---|
| **8. Percent of Strategic Business Plan objectives completed or on schedule** | 2002 – 50%<br>2003 – 65%<br>2004 – 72% | 73% | 75% |

Score Card Perspective: Internal Processes. ITD creates a strategic business plan that defines business improvement goals and objectives which are achieved through initiatives created at the department and division levels. All initiatives are prioritized and defined as projects through an internal project definition process that describes the scope, cost and timeframe, and expected outcomes. This measure assesses management's ability to plan effectively and put business strategy into action.

# ITD RATE COMPARISON

ITD generates revenues by providing 84 services, each with its own rate. Customers are billed monthly for services provided the previous month. Federal regulations do not allow state central service agencies to accumulate an excess of cash. Therefore, ITD closely monitors the cost and revenue for each service and adjusts its rates accordingly.

In April of every even numbered year, ITD establishes budget rates for the upcoming biennium. These rates generally do not increase during the two-year period because agencies do not have the ability to request additional funds. However, if the cost for providing a service decreases, ITD will reduce the rate. The agency also monitors what other entities are charging for similar services in an effort to maintain quality services at a fair price. The following tables reflect ITD comparisons and history. Generally speaking, during the past several years, labor rates have increased slightly while computing costs have decreased.

## Information Technology Department Rate Comparison
## July 2005

### Central Computer CPU - Rate is based per second.

| | North Dakota ITD | South Dakota BIT | Montana ITSD | Wisconsin DET |
|---|---|---|---|---|
| Batch CPU | $0.93 | $1.28 | $1.90 | $0.93 |
| CICS CPU | $0.93 | $1.28 | $0.55 | $1.23 |
| ADABAS CPU | $0.98 | $1.28 | $1.08 | $1.23 |
| TSO CPU | $0.93 | $1.28 | $2.32 | $1.23 |

SD operates an IBM zSeries 2066-OC1 mainframe – 39% more speed so their published rate is 50 cents per CU second. MT operates an IBM zSeries 800 2066-002 mainframe – same as ND. WI operates an IBM 2064-1C9 mainframe – 5 times more speed so their published rate is 1/5 of what is shown here.

### Network Fees

| | North Dakota ITD | South Dakota BIT | Montana ITSD | Wisconsin DET |
|---|---|---|---|---|
| Device Fee | $ 29.00 | $48.00 | $ 72.60 | $ 55.00 |
| DSL Service | Actual (40-120) | N/A | $250.00 | $ 665.00 |
| ATM T-1 | $840.00 | N/A | $650.00 | $1,067.00 |
| Access/Information Fee | | $50.00 | | |

### Telephone Fees

| | North Dakota ITD | South Dakota BIT | Montana ITSD | Wisconsin DET |
|---|---|---|---|---|
| Telephone Line | $21.00 | $10.00 | $26.00 | N/A |
| Speaker | $ 2.00 | Actual | $ 7.00 | Actual |
| Display | $ 3.00 | Actual | $10.00 | Actual |
| Voice mail (unlimited) | $ 3.00 | $ 6.00 | | $ 6.00 |
| - 3 minute limit | | | $ 5.00 | |
| - 6 minute limit | | | $ 8.00 | |
| - 8 minute limit | | | $10.00 | |

### Long Distance

| | ND | SD | MT | WI | MN | NE | OK |
|---|---|---|---|---|---|---|---|
| In-State | .05 | .09 | .105 | .030 | .059 | .07 | .09 |
| Out-of-State | .05 | .10 | .105 | .030 | .047 | .07 | .09 |
| 800 Service | .07 | .10 | .10 | .047 | .047 | .07 | .11 |

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## Software Development Rate Comparison

| Enterprise | Location | Billing Rate/Hour of Service |
|---|---|---|
| **Information Technology Department** | **State of ND** | **$54-$58** |
| CIBER | Vancouver, WA | $40-$100 |
| Objects Worldwide | Fairfax, VA | $45-$65 |
| Moten Tate | Orlando, FL | $50-$95 |
| Bpro Inc. | Pierre, SD | $55-$85 |
| Compuware | Plymouth, MN | $55-$125 |
| Tier Technologies | Albuquerque, NM | $60-$120 |
| Nexus Innovations | Bismarck, ND | $65-$130 |
| Eide Bailly | Bismarck, ND | $65-$140 |
| Internet Design & Consulting | Bismarck, ND | $70-$75 |
| Vision Technology | Bismarck, ND | $70-$75 |
| Everest Consultants | Beaverton, OR | $70-$150 |
| Strategic Business Engineering | Fargo, ND | $75-$95 |
| Applied Engineering | Bismarck, ND | $75-$100 |
| StrataCom | Fargo, ND | $75-$125 |
| Enterprise Solutions | Bismarck, ND | $75-$140 |
| Intertech Software | St. Paul, MN | $105-$150 |
| Maximus | Rancho Cordova, CA | $145-$185 |

## Service Rate Trends

| | July '05 | July '03 | July '01 | July '99 |
|---|---|---|---|---|
| Systems Analyst | $58.00 | $56.25 | $55.60 | $50.88 |
| Programmer | $54.00 | $52.00 | $51.40 | $47.20 |

## Central Computer CPU

| | | | | |
|---|---|---|---|---|
| Batch CPU | $0.93 | $1.01 | $1.24 | $1.51 |
| CICS CPU | $0.93 | $1.01 | $1.24 | $1.51 |
| ADABAS CPU | $0.98 | $1.06 | $1.29 | $1.51 |
| TSO CPU | $0.93 | $1.01 | $1.29 | $1.51 |

(CPU rates for July '99 thru July '03 were adjusted to be comparable to the faster computer purchased in 2004.)

## Network Fees

| | | | | |
|---|---|---|---|---|
| Device Fee | $ 29.00 | $ 29.00 | $ 29.25 | $ 20.45 |
| ATC T-1 | $840.00 | $840.00 | $840.00 | $840.00 |

## Telephone Fees

| | | | | |
|---|---|---|---|---|
| Telephone Line | $21.00 | $ 21.00 | $22.50 | $25.70 |
| Speaker | $ 2.00 | $ 2.00 | $ 2.00 | $ 2.10 |
| Display | $ 3.00 | $ 1.00 | $ 1.00 | $ 1.05 |
| Voice Mail (unlimited) | $ 3.00 | $ 3.00 | $ 3.00 | $ 3.15 |

## Long Distance

| | | | | |
|---|---|---|---|---|
| In-State | $ 0.05 | $ 0.06 | $ 0.06 | $ 0.063 |
| Out-of-State | $ 0.05 | $ 0.06 | $ 0.06 | $ 0.11 |
| 800 Service | $ 0.07 | $ 0.10 | $ 0.10 | $ 0.105 |

# INFORMATION TECHNOLOGY DEPARTMENT
## STATEMENT OF NET ASSETS
## JUNE 30, 2005 and 2004

## ASSETS

| | FY 2005 (Unaudited) | | FY 2004 | |
|---|---|---|---|---|
| CURRENT ASSETS: | | | | |
| CASH DEPOSITS AT THE BANK OF ND | $ 4,574,122.33 | | $ 3,534,123.39 | |
| RESTRICTED CASH | – | | 1,648,029.43 | |
| INTERGOVERNMENTAL RECEIVABLES | 83,435.65 | | 150,300.56 | |
| ACCOUNTS RECEIVABLE | 15,712.44 | | 38,584.49 | |
| DUE FROM OTHER FUNDS | 2,672,060.07 | | 2,593,878.87 | |
| DEFERRED BOND ISSUANCE COSTS | 66,494.58 | | 66,494.58 | |
| TOTAL CURRENT ASSETS | | $ 7,411,825.07 | | $ 8,031,411.32 |
| NONCURRENT ASSETS: | | | | |
| CAPITAL ASSETS: | | | | |
| CONSTRUCTION IN PROGRESS | 3,595,766.45 | | 3,595,766.45 | |
| EQUIPMENT | 20,763,755.28 | | 20,231,917.40 | |
| ACCUMULATED DEPRECIATION | (17,205,450.61) | | (15,864,795.70) | |
| TOTAL NONCURRENT ASSETS | | 7,154,071.12 | | 7,962,888.15 |
| TOTAL ASSETS | | $ 14,565,896.19 | | $ 15,994,299.47 |
| **LIABILITIES** | | | | |
| CURRENT LIABILITIES: | | | | |
| ACCRUED PAYROLL | – | | $1,028,560.92 | |
| ACCOUNTS PAYABLE | 279,907.10 | | 234,763.34 | |
| DUE TO OTHER FUNDS | 4,473.83 | | 6,962.94 | |
| NOTES PAYABLE | 0.00 | | 289,673.38 | |
| TOTAL CURRENT LIABILITIES | | $ 284,380.93 | | $ 1,559,960.58 |
| NONCURRENT LIABILITIES: | | | | |
| NOTES PAYABLE | – | | 143,729.05 | |
| BONDS PAYABLE | 5,961,075.88 | | 5,961,075.88 | |
| COMPENSATED ABSENCES PAYABLE | 1,038,755.57 | | 1,021,560.43 | |
| TOTAL NONCURRENT LIABILITIES | | 6,999,831.45 | | 7,126,365.36 |
| TOTAL LIABILITIES | | 7,284,212.38 | 8,686,325.94 | |
| **NET ASSETS** | | | | |
| INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT | 7,154,071.12 | | 7,529,485.72 | |
| UNRESTRICTED | 127,612.69 | | (221,512.19) | |
| TOTAL NET ASSETS | | 7,281,683.81 | | 7,307,973.53 |
| TOTAL LIABILITIES AND NET ASSETS | | $ 14,565,896.19 | | $ 15,994,299.47 |

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# INFORMATION TECHNOLOGY DEPARTMENT
## STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
## FOR THE YEARS ENDED JUNE 30, 2005 and 2004

| | FY 2005 (Unaudited) | | FY 2004 | |
|---|---|---|---|---|
| **OPERATING REVENUE:** | | | | |
| CHARGES FOR SERVICES | $ 31,208,381.82 | | $ 31,030,273.33 | |
| **OPERATING EXPENSES:** | | | | |
| SALARIES & BENEFITS | 12,181,694.72 | | 11,638,115.95 | |
| COMPENSATED ABSENCES | 17,195.14 | | 32,529.74 | |
| OPERATING | 16,748,947.04 | | 15,641,123.74 | |
| EXPENSED EQUIPMENT | 647,277.77 | | 456,805.88 | |
| DEPRECIATION | 1,855,965.52 | | 2,044,874.34 | |
| TOTAL OPERATING EXPENSES | | 31,451,080.19 | | 29,813,449.65 |
| OPERATING INCOME (LOSS) | | (242,698.37) | | 1,216,823.68 |
| **NONOPERATING REVENUES (EXPENSES)** | | | | |
| LOSS ON DISPOSAL OF EQUIPMENT | (6,464.39) | | (195,122.06) | |
| BOND LETTER OF CREDIT EXPENSE | (4,350.00) | | (4,350.00) | |
| NET BOND INTEREST INCOME/(EXPENSE) | (218,782.31) | | (161,173.85) | |
| INTEREST EXPENSE | (10,165.59) | | (25,575.34) | |
| TOTAL NONOPERATING REVENUES | | (239,762.29) | | (386,221.25) |
| **INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS** | | (482,460.66) | | 830,602.43 |
| TRANSFERS IN-ADJUSTED FOR GAAP | | 456,170.94 | | 338,438.66 |
| **CHANGE IN NET ASSETS** | | (26,289.72) | | 1,169,041.09 |
| **TOTAL NET ASSETS - JULY 1, 2004** | | 7,307,973.53 | | 6,138,932.44 |
| **TOTAL NET ASSETS - JUNE 30, 2005** | | $ 7,281,683.81 | | $ 7,307,973.53 |

Financing Agreements: The State of North Dakota issued $ 20 million of revenue bonds to fund the ConnectND project in 2003. ITD will collect the money from agencies and pay back the bond over ten years.

# 2004-2005 Completed IT Projects

(Includes Projects Over $250,000 From All Agencies)

| Project /Agency | Project Description | Project Duration | Project Budget | Actual Cost | (Over)/Under Budget | Variance |
|---|---|---|---|---|---|---|
| SLND E-commerce<br>Bank of North Dakota (BND) | This project will replace the SLND guarantor system providing a significant decrease in processing costs, substantial increases in customer service and efficiencies in loan processing. | 08/02 - 01/05 | $4,719,246 | $5,479,196 | ($759,950) | -16% |
| LERMS - Law Enforcement Records Management System<br>Criminal Justice Information Sharing (CJIS) | This project will establish and maintain an integrated Records Management System that maximizes efficiency of agency personnel and management, while making complete and accurate information available on a timely and secure basis, thereby enhancing public and officer safety. | 09/03 - 09/04 | $352,276 | $340,561 | $11,714 | 3% |
| CJIS Hub II<br>Criminal Justice Information Sharing (CJIS) | This project will create a central hub and spoke architecture that allows the sharing of information between criminal justice agencies within the State of North Dakota and nationally with Federal agencies. The goal of CJIS is to get complete information to the right person at the right time. This will enhance public safety by greatly improving decision-making by our criminal justice officers. | 10/03 - 05/05 | $715,000 | $382,203 | $332,797 | 47% |
| Electronic Crash Reporting System (ECRS)<br>Dept of Transportation (DOT) | This project enables the electronic collection of motor vehicle crash data at the crash location, including electronic transmission of data directly to a central database. | 06/03 - 12/04 | $261,834 | $240,777 | $21,057 | 8% |
| Construction Automated Record System II (CARS II)<br>Dept of Transportation (DOT) | This project enhances the existing CARS system by allowing project managers and inspectors to record construction activity as they occur in the field using remote PC technology. | 09/04 - 06/05 | $326,117 | $15,680 | $310,437 | 95% |
| Electronic Document Management System II (EDMS)<br>Dept of Transportation (DOT) | This project continues the establishment of an EDMS for the DOT that allows files, created both internally and externally, to be electronically stored, indexed, and retrieved. | 07/03 - 06/05 | $1,079,390 | $812,434 | $266,956 | 25% |
| 2D-3D Ortho-photogrammetry<br>Dept of Transportation (DOT) | This project will give highway designers the ability to view and work with orthophotography using 2D and 3D software tools. The project also provides raster and vector data integration for the purpose of designing highways. | 07/04 - 06/05 | $255,790 | $189,946 | $65,844 | 26% |
| Health Alert Network (HAN)<br>Department of Health (DOH) | The Health Alert network will help North Dakota meet requirements for the Bioterrorism Preparedness and Response Cooperative Agreement issued by the CDC. | 03/03 - 04/05 | $923,018 | $850,832 | $72,186 | 8% |
| Disease Reporting Epidemiological Assessment and Monitoring System (DREAMS)<br>Department of Health (DOH) | This project will develop a ND public health surveillance environment which will provide the ND Department of Health with a more efficient and rapid means of reporting disease information to appropriate agencies. | 05/01 - 06/05 | $2,400,000 | $851,040 | $1,548,960 | 65% |
| MMIS Rewrite Project I<br>Department of Human Services (DHS) | This project is Phase 1 of the MMIS Rewrite, the purpose of which is to plan for the replacement of the aging MMIS system. The Medicaid Management Information System processes claims, issues checks and notices of denial, and provides numerous reports. | 07/03 - 06/05 | $1,600,000 | $1,092,839 | $507,160 | 32% |
| State Children's Health Insurance Program (SCHIP)<br>Department of Human Services (DHS) | The State Children's Health Insurance Program (SCHIP) project will allow eligibility for SCHIP to be determined at the county level as other eligibility determinations are made today. | 06/04 - 06/05 | $519,741 | $485,535 | $34,205 | 7% |
| Unemployment Insurance Internet Application (UIIA)<br>Job Service North Dakota (JSND) | This project will provide Internet services to UI claimants and employers for claims, weekly certifications, and quarterly tax reports and payments. | 05/03 - 04/05 | $1,065,881 | $969,526 | $96,355 | 9% |
| Continuity of Operations Planning System (COOP)<br>Office of Management & Budget - Risk Management | This project includes the purchase, configuration, installation, and training for a business continuity software application which will ultimately generate disaster recovery plans for the agencies of the state of North Dakota. | 02/03 - 06/05 | $470,688 | $359,581 | $111,106 | 24% |
| ConnectND (ERP)<br>Office of Management & Budget | The State of North Dakota has invested in PeopleSoft's HRMS, Financials, and Student Administration solutions to replace their legacy systems. The State and North Dakota University System (NDUS) are participating jointly in this project. | 04/02 - 06/05 | $48,046,146 | $49,220,456 | ($1,174,310) | -2% |
| | | | **$62,735,127** | **$61,290,609** | **$1,444,517** | **2%** |

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# 2004-2005 Active IT Projects

(Includes Projects Over $250,000 From All Agencies)

| Project / Agency | Description | Project Duration | Project Budget |
|---|---|---|---|
| Core Banking<br>Bank of North Dakota (BND) | This project will replace the "Core Banking" system, which supports multiple banking functions while maintaining centralized information. Currently BND utilizes multiple systems on the mainframe requiring substantial manual programming and the systems cannot be linked to provide sufficient customer relationship management. Cost of processing and maintenance, the need for modern technology and the need to deliver new products and services to customers are all business drivers for this project. | 01/04 - 01/06 | $3,544,880 |
| Commercial Vehicle Information Systems and Networks (CVISN)<br>Dept of Transportation (DOT) | This project expedites freight movement by letting legal carriers bypass scales, require fewer inspections, and license vehicles faster electronically. It also helps concentrate enforcement activities by providing current & consistent information. | 07/01 - 03/06 | $1,366,949 |
| WIC<br>Department of Health (DOH) | The purpose of the project is to modernize the systems that provide automated data processing support for the Iowa and North Dakota Supplemental Nutrition Programs for Women, Infants, and Children (WIC). | 06/03 - 12/05 | $1,507,250 |
| Public Safety Mobile Communications<br>Information Technology Department (ITD) | This project will update the state radio system to digital technology. | 01/04 - 12/10 | $8,279,946 |
| STAGEnet Infrastructure Services (SIS)<br>Information Technology Department (ITD) | In order to maintain our eligibility for e-rate funds, the state is required to go to bid after each contract period. In the years during the current contract, technology has changed and the needs of the state have also increased. ITD is looking to design a network that can grow with the state's needs over the next five to seven years. *The project data reflects only Phases 1 and 2. Phase 3 has not been chartered.* | 01/05 - 12/05 | $585,506 |
| Network Tools (Compuware)<br>Information Technology Department ITD) | This project will deploy the Compuware AppVantage and NetVantage analysis tools, and provide training, mentoring, and strategic direction to ITD staff. | 06/05-08/05 | $399,060 |
| ODIN Library System Software Migration<br>North Dakota University | This project includes selection and implemention of a new library management software to provide library operational support for library staff and access for the public to library materials of all types. | 02/02 -08/05 | $1,492,400 |
| Facility Management System<br>North Dakota University System (NDUS) | This project will provide a facilities management system to replace a current system used by the North Dakota University System institutions and will provide additional functionality. The Facilities Management System will interface with the ConnectND system. | 05/04 - 10/05 | $1,425,835 |
| Housing Management System<br>North Dakota University System (NDUS) | This project will provide a housing management system to replace a current system used by the North Dakota University System institutions and will provide additional functionality. The Housing Management System will interface with the ConnectND system. | 10/04 - 08/05 | $796,177 |
| Parking Management System<br>North Dakota University System (NDUS) | This project will provide a parking management system to replace a current system used by the North Dakota University System institutions and will provide additional functionality. The Parking Management System will interface with the ConnectND system. | 06/04 - 08/05 | $510,009 |
| Teachers' Fund for Retirement (TFFR) Pension System Replacement<br>Retirement & Investment Office (RIO) | The purpose of this project is to implement a replacement of the TFFR Pension System. The current system is over 20 years old, has high maintenance costs, and no longer meets RIO business needs. | 03/04 - 09/05 | $2,000,000 |
| Enterprise Application Development and Training<br>Workforce Safety & Insurance (WSI) | WSI intends to purchase a suite of Compuware products for enterprise application development. In addition to the initial purchase, the scope of the project will include the provision of training and mentoring (by Compuware staff) to equip WSI IT staff with the skills necessary to use the Compuware suite of products to independently produce high-quality enterprise applications. | 02/05-07/05 | $508,885 |

**The main North Dakota portal**
www.nd.gov

**Information Technology Department**
www.nd.gov/itd

**North Dakota current statewide technology related initiatives**
www.nd.gov/itd

**Information Technology Large Project Oversight**
www.nd.gov/itd/planning/lar-pro-rep.html

**North Dakota Enterprise Architecture**
www.nd.gov/ea

The Information Technology Annual Report is published annually.


For more information or to request additional copies of the report, please contact:
Darlene Wolfgram, 701-328-1000,
dwolfgram@state.nd.us

An electronic copy of the Information Technology Annual Report can be found at www.nd.gov/itd/pubs

## ITD's Guiding Principles

**Respect:**
We treat everyone with dignity and respect.

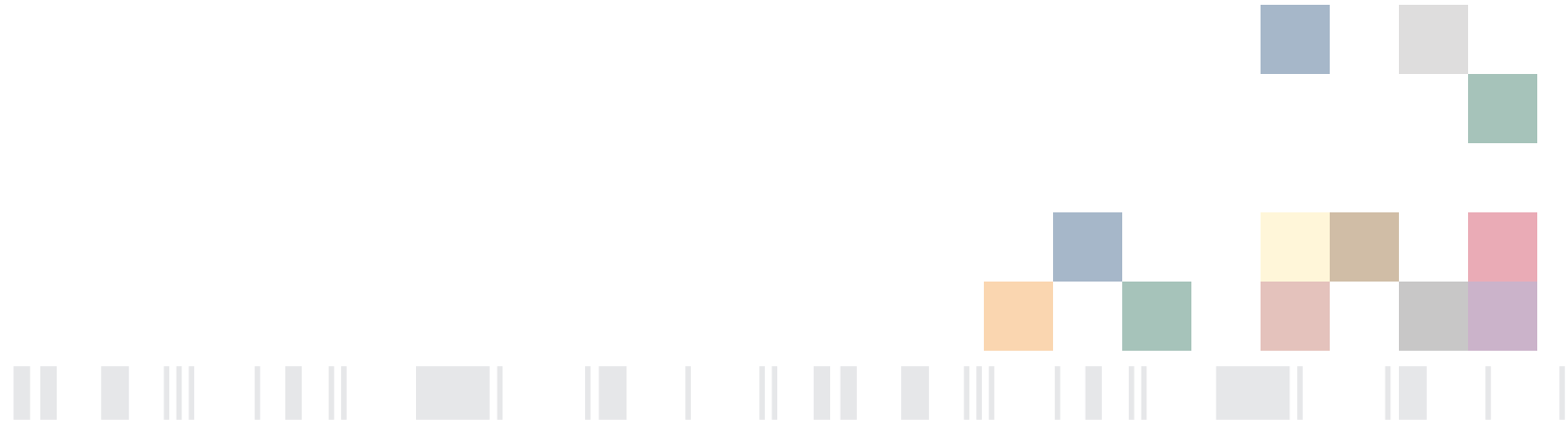
**Teamwork:**
We recognize ITD's success depends on partnerships and collaboration.

**Achievement:**
We develop quality solutions that best address the needs of our state. We are committed to delivering results – on time and within budget.

**Integrity:**
We build long-term, lasting relationships through mutual trust. We value open, honest, two-way communication.

**Leadership:**
We encourage initiative and creativity.
We are committed to investing in knowledge and expertise.

**Service:**
We hold ourselves accountable for a positive customer experience.




customer-centric
ITD
Information Technology Department